Leading the Transformation.

Frank Witter, Chief Financial Officer
Volkswagen AG

Investor Conference Call with Société Générale, 23 March 2020
Disclaimer

The following presentations contain forward-looking statements and information on the business development of the Volkswagen Group. These statements may be spoken or written and can be recognized by terms such as “expects”, “anticipates”, “intends”, “plans”, “believes”, “seeks”, “estimates”, “will” or words with similar meaning. These statements are based on assumptions, which we have made on the basis of the information available to us and which we consider to be realistic at the time of going to press. These assumptions relate in particular to the development of the economies of individual countries and markets, the regulatory framework and the development of the automotive industry. Therefore the estimates given involve a degree of risk, and the actual developments may differ from those forecast. The Volkswagen Group currently faces additional risks and uncertainty related to pending claims and investigations in a number of jurisdictions in connection with findings of irregularities relating to exhaust emissions from diesel engines in certain Volkswagen Group vehicles. The degree to which the Volkswagen Group may be negatively affected by these ongoing claims and investigations remains uncertain.

The recent outbreak of COVID-19 (commonly referred to as coronavirus) has negatively impacted and may continue to impact economic and social conditions in some of Volkswagen's primary markets, including China and Europe, as public, private, and government entities implement containment and quarantine measures. The continued spread of COVID-19 may cause shortages of necessary materials and parts from suppliers directly or indirectly affected by the outbreak and may cause operational disruptions and interruptions at Volkswagen's production facilities, leading to significant production downtimes.

A negative development relating to ongoing claims or investigations, the continuation of COVID-19, an unexpected fall in demand or economic stagnation in our key sales markets, such as in Western Europe (and especially Germany) or in the USA, Brazil or China, and trade disputes among major trading partners will have a corresponding impact on the development of our business. The same applies in the event of a significant shift in current exchange rates in particular relative to the US dollar, sterling, yen, Brazilian real, Chinese renminbi and Czech koruna.

If any of these or other risks occur, or if the assumptions underlying any of these statements prove incorrect, the actual results may significantly differ from those expressed or implied by such statements.

We do not update forward-looking statements retrospectively. Such statements are valid on the date of publication and can be superseded.

This information does not constitute an offer to exchange or sell or an offer to exchange or buy any securities.
Development World Car Market vs. Volkswagen Group Car Deliveries to Customers\(^1\)
(Growth y-o-y in deliveries to customers, January to December 2019 vs. 2018)

- **North America (incl. LCV)**
  - Car Market: -2.3%
  - VW Group: -0.5%

- **Western Europe**
  - Car Market: 0.6%
  - VW Group: 4.8%

- **Central & Eastern Europe**
  - Car Market: -2.3%
  - VW Group: 2.7%

- **South America (incl. LCV)**
  - Car Market: -5.0%
  - VW Group: 1.8%

- **World**\(^2\)\(^1\)
  - Car Market: -4.0%
  - VW Group: 1.3%

- **Asia Pacific**
  - Car Market: -6.0%
  - VW Group: -0.2%

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\(^1\) Volkswagen Group Passenger Cars excl. Volkswagen Commercial Vehicles
\(^2\) incl. LCV in North America & South America
Development World Car Market vs. Volkswagen Group Car Deliveries to Customers\textsuperscript{1)}
(Growth y-o-y in deliveries to customers, January to February 2020 vs. 2019)

\textsuperscript{1)}Volkswagen Group Passenger Cars excl. Volkswagen Commercial Vehicles \textsuperscript{2)}incl. LCV in North America & South America
### Volkswagen Group – Deliveries to Customers by Brands

#### (January to December 2019 vs. 2018)

- **Volume**: +0.8%
  - January - December 2018: 6,245,6,278 [thsd. units]
  - January - December 2019: 6,254,6,243

- **Premium**: +2.0%
  - January - December 2018: 1,812,1,846 [thsd. units]
  - January - December 2019: 1,812,1,846

- **Sport & Luxury**: +9.4%
  - January - December 2018: 256,281 [thsd. units]
  - January - December 2019: 281,281

- **Truck & Bus**: +4.0%
  - January - December 2018: 137,143 [thsd. units]
  - January - December 2019: 143,149

1) Volkswagen Group excl. Ducati
Volkswagen Group – Deliveries to Customers by Brands
(January to February 2020 vs. 2019)

[Volkswagen Group excl. Ducati]
# Financial Highlights – Volkswagen Group
(January to December 2019 vs. 2018)

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales revenue</td>
<td>€235,849</td>
<td>€252,632</td>
</tr>
<tr>
<td>% change</td>
<td>+7.1%</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating profit(^1)</td>
<td>€17,104</td>
<td>€19,296</td>
</tr>
<tr>
<td>% change</td>
<td>+12.8%</td>
<td></td>
</tr>
<tr>
<td>Op. margin</td>
<td>7.3%</td>
<td>7.6%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit before tax</td>
<td>€15,643</td>
<td>€18,356</td>
</tr>
<tr>
<td>% change</td>
<td>+17.3%</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit after tax</td>
<td>€12,153</td>
<td>€14,029</td>
</tr>
<tr>
<td>% change</td>
<td>+15.4%</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dividend proposal(^2)</td>
<td>€4.86</td>
<td>€6.56</td>
</tr>
<tr>
<td>% change</td>
<td>+35.0%</td>
<td></td>
</tr>
<tr>
<td>Payout ratio</td>
<td>20.5%</td>
<td>24.5%</td>
</tr>
</tbody>
</table>

\(^1\) Before special items. \(^2\) Per preference share. Per ordinary share 6.50 (2018: 4.80) €.
## Volkswagen Group – Analysis by Business Line\(^1\)
(January to December 2019 vs. 2018)

<table>
<thead>
<tr>
<th></th>
<th>Vehicle sales</th>
<th>Sales revenue</th>
<th>Operating profit</th>
<th>Operating margin</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>thousand vehicles / € million</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Volkswagen Passenger Cars</td>
<td>3,677 / 88,407</td>
<td>3,715 / 84,585</td>
<td>3,785 / 3,239</td>
<td>4.3 / 3.8</td>
</tr>
<tr>
<td>Audi</td>
<td>1,200 / 55,680</td>
<td>1,467 / 59,248</td>
<td>4,509 / '4,705</td>
<td>8.1 / 7.9</td>
</tr>
<tr>
<td>ŠKODA</td>
<td>1,062 / 19,806</td>
<td>957 / 17,293</td>
<td>1,660 / 1,377</td>
<td>8.4 / 8.0</td>
</tr>
<tr>
<td>SEAT</td>
<td>667 / 11,496</td>
<td>608 / 10,202</td>
<td>445 / 254</td>
<td>3.9 / 2.5</td>
</tr>
<tr>
<td>Bentley</td>
<td>12 / 2,092</td>
<td>10 / 1,548</td>
<td>65 / -288</td>
<td>3.1 / -18.6</td>
</tr>
<tr>
<td>Porsche Automotive</td>
<td>277 / 26,060</td>
<td>253 / 23,668</td>
<td>4,210 / 4,110</td>
<td>16.2 / 17.4</td>
</tr>
<tr>
<td>Volkswagen Commercial Vehicles</td>
<td>456 / 11,473</td>
<td>469 / 11,875</td>
<td>510 / 780</td>
<td>4.4 / 6.6</td>
</tr>
<tr>
<td>Scania</td>
<td>101 / 13,934</td>
<td>97 / 12,981</td>
<td>1,506 / 1,207</td>
<td>10.8 / 9.3</td>
</tr>
<tr>
<td>MAN Commercial Vehicles</td>
<td>143 / 12,663</td>
<td>137 / 12,104</td>
<td>402 / 332</td>
<td>3.2 / 2.7</td>
</tr>
<tr>
<td>Power Engineering</td>
<td>- / 3,997</td>
<td>- / 3,608</td>
<td>159 / 193</td>
<td>4.0 / 5.3</td>
</tr>
<tr>
<td>VW China</td>
<td>4,048 / 26,444</td>
<td>4,101 / 24,781</td>
<td>917 / -1,418</td>
<td>- / -</td>
</tr>
<tr>
<td>Other (^5)</td>
<td>-85 / -30,931</td>
<td>-912 / -34,029</td>
<td>- / -</td>
<td>- / -</td>
</tr>
<tr>
<td>Volkswagen Financial Services</td>
<td>- / 37,957</td>
<td>- / 32,764</td>
<td>- / -</td>
<td>- / -</td>
</tr>
<tr>
<td>Volkswagen Group before Special Items</td>
<td>- / 252,632</td>
<td>- / 235,849</td>
<td>- / -</td>
<td>- / -</td>
</tr>
<tr>
<td>Special Items</td>
<td>- / -</td>
<td>- / -</td>
<td>-2,336 / -3,184</td>
<td>- / -</td>
</tr>
<tr>
<td>Volkswagen Group</td>
<td>10,956 / 252,632</td>
<td>10,900 / 235,849</td>
<td>- / -</td>
<td>6.7 / 5.9</td>
</tr>
<tr>
<td>Automotive Division (^6)</td>
<td>10,956 / 212,473</td>
<td>10,900 / 201,067</td>
<td>- / -</td>
<td>- / -</td>
</tr>
<tr>
<td>of which: Passenger Cars (^7)</td>
<td>10,713 / 182,031</td>
<td>10,666 / 172,678</td>
<td>- / -</td>
<td>- / -</td>
</tr>
<tr>
<td>of which: Commercial Vehicles (^3)</td>
<td>243 / 26,444</td>
<td>234 / 24,781</td>
<td>1,653 / 1,191</td>
<td>- / -</td>
</tr>
<tr>
<td>of which: Power Engineering</td>
<td>- / 3,997</td>
<td>- / 3,608</td>
<td>-93 / -64</td>
<td>- / -</td>
</tr>
<tr>
<td>Financial Services Division</td>
<td>- / 40,160</td>
<td>- / 34,782</td>
<td>- / -</td>
<td>- / -</td>
</tr>
</tbody>
</table>

\(^1\) All figures shown are rounded, minor discrepancies may arise from addition of these amounts. \(^2\) Porsche (Automotive and Financial Services): sales revenue € 28,518 (25,784) million, operating profit € 4,396 (4,291) million. \(^3\) Scania (Automotive and Financial Services): sales revenue € 14,391 (11,560) million, operating profit € 1,648 (1,340) million. \(^4\) The sales revenue and operating profit of the joint venture companies in China are not included in the figures for the Group. These Chinese companies are accounted for using the equity method and result in a proportionate operating profit of € 4,425 (4,127) million. \(^5\) In operating profit mainly intragroup items recognized in profit or loss, in particular from the elimination of intercompany profits; the figure includes depreciation and amortization of identifiable assets as part of purchase price allocation for Scania, Porsche holding Salzburg, MAN and Porsche. \(^6\) Including allocation of consolidation and adjustments between the Automotive and Financial Services divisions. \(^7\) Since 1\(^{\text{st}}\) January 2019 Volkswagen Commercial Vehicles is reported in the Automotive division, prior year figures have been adjusted.
Volkswagen Group – Analysis of Operating Profit\(^1\)
(January to December 2019 vs. 2018)

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td><strong>Passenger Cars</strong>/ **</td>
<td>13.9</td>
<td>3.2</td>
<td>17.1</td>
<td>-0.2</td>
<td>0.6</td>
<td>-2.8</td>
<td>0.5</td>
<td>0.0</td>
<td>0.4</td>
<td>19.3</td>
<td>-2.3</td>
<td>17.0</td>
</tr>
</tbody>
</table>

\(^1\) All figures shown are rounded, minor discrepancies may arise from addition of these amounts. \(^) without FS \(^*) including PPA
Automotive Division – Net Cash Flow Development 1) 2)
(January to December 2019)

1) All figures shown are rounded, minor discrepancies may arise from addition of these amounts.
2) Including allocation of consolidation adjustments between Automotive and Financial Services divisions.

<table>
<thead>
<tr>
<th>Year</th>
<th>Cash flow from operating activities</th>
<th>Capex</th>
<th>Capitalized development costs</th>
<th>Other</th>
<th>Net cash flow before equity investments</th>
<th>Acquisition and disposal of equity investments</th>
<th>Net Cash flow</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>18.5</td>
<td>-14.0</td>
<td>-5.2</td>
<td>0.2</td>
<td>11.6</td>
<td>-0.7</td>
<td>10.8</td>
</tr>
<tr>
<td></td>
<td>30.7</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

3) All figures shown are rounded, minor discrepancies may arise from addition of these amounts. 2) Including allocation of consolidation adjustments between Automotive and Financial Services divisions.
Automotive Division – Net Cash Flow¹)
(January to December 2019)

¹) Including allocation of consolidation adjustments between Automotive and Financial Services divisions.
Automotive Division – Analysis of Net Liquidity\(^1\)
(January to December 2019)

\[\text{Net Cash flow (€ 10.8 bn)}\]

\[\begin{align*}
\text{31.12.2018} & : & 19.4 \\
\text{Diesel Outflow} & : & -1.9 \\
\text{M&A} & : & -0.7 \\
\text{China Dividend} & : & 3.6 \\
\text{Operating Business} & : & 9.9 \\
\text{IFRS 16} & : & -5.4 \\
\text{MAN minorities} & : & -1.1 \\
\text{Dividend to VW AG Shareholder} & : & -2.4 \\
\text{TRATON IPO} & : & 1.4 \\
\text{Other} & : & -1.4 \\
\text{31.12.2019} & : & 21.3 \\
\end{align*}\]

\(^1\) All figures shown are rounded, minor discrepancies may arise from addition of these amounts.
Volkswagen Group – Outlook for 2020\(^1\)

<table>
<thead>
<tr>
<th>Deliveries to customers (’000 vehicles)</th>
<th>On the level of prior year</th>
<th>Sales revenue (€ billion)</th>
<th>grow by as much as 4%</th>
<th>Operating return on sales (%)</th>
<th>Range of 6.5 – 7.5% (before Special Items)</th>
</tr>
</thead>
<tbody>
<tr>
<td>10.8</td>
<td>2018</td>
<td>235.8</td>
<td>2018</td>
<td>7.3(^2)</td>
<td>2020</td>
</tr>
<tr>
<td>11.0</td>
<td>2019</td>
<td>252.6</td>
<td>2019</td>
<td>7.6(^2)</td>
<td></td>
</tr>
</tbody>
</table>

\(^1\) In light of Corona, under constant review. \(^2\) before Special Items.
The transformation of our portfolio has started

Broad product portfolio → Transformation → CO₂ neutral cars

ICE

BEV

2020 → 2050
Our worldwide SUV mix is expected to increase strongly

Volkswagen Group - SUV share
(in % of regional Group Deliveries to Customers)

Worldwide
≈ 13%

12%
14%
17%


* Target

Europe
China
NAR

> 50%
49%
56%
69%
BEVs are the first choice as the most cost-efficient solution for CO2 reduction

Measures for CO2 reduction in €/g CO2

Example Volkswagen Brand: Ranking CO2 efficiency indicators (average) for selected CO2 measures
Customers already experience comparable TCOs in 2020 – 2nd wave BEV will provide even more attractive TCOs

TCO comparison

Including government subsidies for many customers BEV TCO are comparable to ICE TCO already today

2nd wave MEB cars will offer better TCOs than ICES (even without government subsidies)

1) Schematic overview | TCO = Total Cost of Ownership
The significant increase in BEV deliveries will support CO₂ compliance

Volkswagen Group – BEV volume by regions
(BEV share of total Group Deliveries in %)

2019: ≈ 1%
2020*: ≈ 4%
2021*: ≈ 4%
2022*: ≈ 4%
2023*: ≈ 3 mn units
2024*: > 20%
2025*: ≈ 3 mn units

* Target
Development Global passenger car markets

Markets by regions (2020-2025)

- Europe: ~ 4%
- North America: ~ 0%
- South America: ~ 20%
- China incl. HK: > 30%
- RoW: > 20%

North America and South America incl. Light Commercial Vehicle; Source: IHS Markit I March 2020
Strategic Group KPI’s

### Key financial targets

<table>
<thead>
<tr>
<th></th>
<th>2016 Actual</th>
<th>2017 Actual</th>
<th>2018 Actual</th>
<th>2019 Actual</th>
<th>2020 Outlook</th>
<th>2025 Strategic Targets</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating return on sales</strong>&lt;sup&gt;1)&lt;/sup&gt; before Special Items</td>
<td>6.7%</td>
<td>7.4%</td>
<td>7.3%</td>
<td>7.6%</td>
<td>6.5 – 7.5%</td>
<td>7 – 8%</td>
</tr>
<tr>
<td><strong>Return on investment</strong>&lt;sup&gt;2)&lt;/sup&gt; Automotive Division after Special Items</td>
<td>8.2%</td>
<td>12.1%</td>
<td>11.0%</td>
<td>11.2%</td>
<td>11 – 13%&lt;sup&gt;3)&lt;/sup&gt;</td>
<td>&gt;14%&lt;sup&gt;3)&lt;/sup&gt;</td>
</tr>
<tr>
<td><strong>Capex ratio</strong>&lt;sup&gt;4)&lt;/sup&gt; Automotive Division</td>
<td>6.9%</td>
<td>6.4%</td>
<td>6.6%</td>
<td>6.6%</td>
<td>6 – 6.5%&lt;sup&gt;4)&lt;/sup&gt;</td>
<td>6%</td>
</tr>
<tr>
<td><strong>R&amp;D cost ratio</strong>&lt;sup&gt;4)&lt;/sup&gt; Automotive Division</td>
<td>7.3%</td>
<td>6.7%</td>
<td>6.8%</td>
<td>6.7%</td>
<td>6 – 6.5%&lt;sup&gt;4)&lt;/sup&gt;</td>
<td>6%</td>
</tr>
<tr>
<td><strong>Cash</strong>&lt;sup&gt;2)&lt;/sup&gt; Automotive Division</td>
<td>€ 4.9 bn</td>
<td>€ 10.3 bn</td>
<td>€ 5.6 bn</td>
<td>€ 13.5 bn</td>
<td>≥ € 10 bn</td>
<td>&gt; € 10 bn&lt;sup&gt;3)&lt;/sup&gt;</td>
</tr>
<tr>
<td><strong>Cash a) Net Cashflow</strong>&lt;sup&gt;2)&lt;/sup&gt;</td>
<td>€ 4.9 bn</td>
<td>€ 10.3 bn</td>
<td>€ 5.6 bn</td>
<td>€ 13.5 bn</td>
<td>≥ € 10 bn</td>
<td>&gt; € 10 bn&lt;sup&gt;3)&lt;/sup&gt;</td>
</tr>
<tr>
<td><strong>Cash b) Net Liquidity</strong>&lt;sup&gt;2)&lt;/sup&gt;</td>
<td>€ 27.2 bn</td>
<td>€ 22.4 bn</td>
<td>€ 19.4 bn</td>
<td>€ 21.3 bn&lt;sup&gt;2)&lt;/sup&gt;</td>
<td>&gt; € 20 bn&lt;sup&gt;3)&lt;/sup&gt;</td>
<td></td>
</tr>
</tbody>
</table>

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1) In light of Corona, under constant review 2) Ex Diesel payments and M&A 3) Including the negative IFRS 16 impact, effective from 1st January 2019. 4) Ambition of reaching 6% remains.
Scalable Technology: The dedicated platforms (MEB/PPE) guarantee superior customer experience, scale and versatility
The ID. DNA | What makes our ID. Family special

- Visionary design
- New sense of space
- Smart connected
- Intuitive usability
- Sustainable platform

Affordable | High Ranges | Fast Charging Technology | Good residual values
To maximize the climate impact of MEB we are open to share it to other car manufactures as well
The car becomes the most complex internet device

Control units: approx. 70
No own Software stacks

Software Stacks:
Infotainment, Navigation, Emergency Assist ...

Cloud/Backend

Development of Volkswagen’s own Software stacks

High Performance Computers
3-5

Further control units for safety relevant functions

Volkswagen
Aktiengesellschaft

Car

Fully connected car

Today

Tomorrow
In the future, software will be a main differentiator in the automotive industry...

**Today**

- 100 million lines of code per vehicle
- Approximately $10 per line of code
- Example: Navi system 20 million lines of code

**Tomorrow**

- > 200 - 300 million lines of code are expected
- Level 5 autonomous driving will take up to 1 billion lines of code

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**Sources:**
- https://spectrum.ieee.org/transportation/systems/this-car-runs-on-code
- https://www.visualcapitalist.com/millions-lines-of-code/
...therefore, we invest 7 billion Euro in a dedicated software organisation and will start operation in January 2020

A strong team...

- Software experts:
  - 2020: 7,000
  - 2025: >10,000
  - +46% increase

More customer value...

- Always up-to-date functions in all vehicles
- Higher residual values
- Lower maintenance downtimes

...develops software in-house

- Increase in-house share software development from 10% to 60%
- All news cars on VW.OS from 2025 on
- Migrate parallel solutions to gain scale, e.g. One Infotainment & One cloud

...less complexity for us

- Cost reduction due to
  - significantly lower direct material cost
  - reduced development cost
  - smoother new vehicle launches
  - reduced warranty cost

~ 0.5 bn
synergies by 2025 from standardisation of infotainments

Example
Expanding production of electric vehicles worldwide on a massive scale by the end of 2022
BEV challenges addressed by three key elements

**Usability / Range**
- e-Golf: up to 231 km (WLTP)
- MEB-platform: up to 550 km (WLTP)

**Total Cost of Ownership**
- Par value on total costs between ICE and BEV
- Cost of Ownership: State subsidy + Cost of Leasing

**Systematic Sales Approach**
- New Car
  - ID.
  - Lifetime Concept
- Used Car
  - Effects:
    - Stabilization of residual values
    - Increase of customer loyalty towards dealer & brand
Driving forward Strategy: New collaborative approach
Ford and Volkswagen extend global alliance, Volkswagen simultaneously invests in Argo AI

VOLKSWAGEN TO SUPPLY MEB PLATFORM TO FORD

COMMERCIAL VAN AND PICKUP

FULLY ELECTRIC VEHICLES

EQUAL SHAREHOLDER WITH FORD; TRANSACTION REPRESENTS $7.25B VALUATION*

NEW COLLABORATION

VOLKSWAGEN MAKES AUTONOMOUS DRIVING INVESTMENT

*Estimated
Key Messages

1. Leading the transformation to e-mobility
2. Cost effective transformation path
3. First in transforming into software OEM
4. Increased focus on value creation
Volkswagen Financial Services ¹): global, well diversified and successful

* Strong global presence

![World map showing global presence]

* Rising penetration rates (without China)

![Graph showing rising penetration rates]

* Continuous portfolio expansion

<table>
<thead>
<tr>
<th>Year</th>
<th>Financing</th>
<th>Leasing</th>
<th>Insurance / Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>6,322</td>
<td>2,518</td>
<td>5,833</td>
</tr>
<tr>
<td>2016</td>
<td>7,218</td>
<td>2,760</td>
<td>6,155</td>
</tr>
<tr>
<td>2017</td>
<td>7,641</td>
<td>3,921</td>
<td>5,672</td>
</tr>
<tr>
<td>2018</td>
<td>7,717</td>
<td>4,149</td>
<td>5,935</td>
</tr>
<tr>
<td>2019</td>
<td>10,297</td>
<td>4,616</td>
<td>6,585</td>
</tr>
</tbody>
</table>

Total portfolio: 21,223 '000 contracts

* Diversified funding structure

- Equity, liabilities to affiliated companies, other: 38%
- Customer deposits: 14%
- Asset backed securitization: 18%
- Bonds, Commercial Paper, liabilities to financial institutions: 30%

31.12.2019: € 223.5 bn

¹) Excl. activities of Scania and Porsche Holding Salzburg; incl. Financial Services of Porsche AG and MAN Financial Services.
Volkswagen Brand – Pushing the Turnaround in the US, break even by 2020

- Product portfolio renewal with focus on profitable products
  - Significant reduction in incentive spend
  - Improved model mix, mainly SUVs
- Fix costs improvements

- Focus on efficient local production and logistics
  - > 90% of US sales produced in North America
  - Lower material costs and one-offs due to less complexity
  - MQB share up from 20% in 2015 to 80% in 2020

Deliveries to US customers, ‘000’ units

<table>
<thead>
<tr>
<th>Year</th>
<th>SUV offensive #1</th>
<th>New Sedans</th>
<th>SUV offensive #2</th>
<th>Electric transition</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>All-new Atlas</td>
<td>Jetta</td>
<td>Atlas Cross Sport</td>
<td>Compact SUV e</td>
</tr>
<tr>
<td>2018-19</td>
<td>All-new Tiguan</td>
<td>Passat</td>
<td></td>
<td>ID Buzz</td>
</tr>
<tr>
<td>2020-21</td>
<td></td>
<td>Arteon</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2020 +</td>
<td></td>
<td></td>
<td></td>
<td>New Model</td>
</tr>
</tbody>
</table>
Volkswagen Group China performance (January to December 2019 vs. 2018)

1) Incl. Hong Kong, excl. Ducati. Group numbers incl. Volkswagen Commercial Vehicles, Scania and MAN.
Volkswagen Group China performance
(January to February 2020 vs. 2019)

1) Incl. Hong Kong, excl. Ducati. Group numbers incl. Volkswagen Commercial Vehicles, Scania and MAN.

[Graph showing Volkswagen Group China performance with bars for January to February 2019 and 2020, and values for proportionate operating profit, January to December 2018 vs. 2019.]
Together4Integrity: Group-wide integrity and compliance program in full swing

**STRATEGY**
Ethics and compliance is central to business strategy

**RISK MANAGEMENT**
Ethics and compliance risks are identified, owned, managed and mitigated

**SPEAK-UP ENVIRONMENT**
The organization encourages, protects and values the reporting of concerns and suspected wrongdoing

**CULTURE OF INTEGRITY**
Leaders at all levels across the organization build and sustain a culture of integrity

**RESOLUTE ACCOUNTABILITY**
The organization takes action and holds itself accountable when wrongdoing occurs

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1) Group entities covered; as of 12th March, 2019.
We are convinced that we have a strong Investment Proposition

- Strong brands with clear positioning and great products that inspire customers
- A leading position in China with global footprint and value creating growth
- Fully committed to "Go to Zero" and shaping e-mobility
- Transforming to one of the leading automotive software players
- Business portfolio optimisation and rigorous allocation of capital
- Taking complexity out and pushing for industry-leading economies of scale
- Delivering on demanding financial targets and committed to dividend pay out ratio

Integrity as the foundation of a successful business
Investor Relations Team
We are pleased to answer your inquiries regarding Volkswagen shares and other capital market related questions.

Helen Beckermann (Wolfsburg office)
Head of Group Investor Relations
E-Mail: Helen.Beckermann@volkswagen.de
Telephone: +49 5361 9 49015

Alexander Hunger (Wolfsburg office)
Investor Relations Manager
Equity & ESG
E-Mail: Alexander.Hunger@volkswagen.de
Telephone: +49 5361 9 47420

Andreas Buchta (Wolfsburg office)
Investor Relations Manager
Equity & Key Contact North America
E-Mail: Andreas.Buchta@volkswagen.de
Telephone: + 49 5361 9 40765

Ulrich Hauswaldt (Wolfsburg office)
Investor Relations Manager
Equity & Debt
E-Mail: Ulrich.Hauswaldt@volkswagen.de
Telephone: +49 5361 9 42224

Andreas Kowalczyk (Wolfsburg office)
Investor Relations Manager
Equity
E-Mail: Andreas.Kowalczyk@volkswagen.de
Telephone: +49 5361 9 23183

Monika Kowalski (Wolfsburg office)
Investor Relations Manager
Equity
E-Mail: Monika.Kowalski@volkswagen.de
Telephone: +49 5361 9 31106

The official website of Volkswagen Group Investor Relations. Company topics, brandchannels, innovation and informations.
The Shareholder Structure, Supervisory and Management Board

### Shareholder Structure of Volkswagen AG

- **Number of Outstanding Shares**
  - Preferred shares: 206,205,445 (41.1%)
  - Ordinary shares: 295,089,818 (58.9%)

- **Current Voting Rights Distribution**
  - Preferred shares: 206,205,445 (41.1%)
  - Ordinary shares: 295,089,818 (58.9%)
  - Others: 9,905,343 (20.0%)
  - Qatar Holding: 3,492,108 (7.0%)
  - Porsche SE, Stuttgart: 4,198,762 (8.5%)
  - State of Lower Saxony, Hanover: 930,000 (1.9%)

**Number of Outstanding Shares**

<table>
<thead>
<tr>
<th>Shareholder</th>
<th>Preferred</th>
<th>Ord.</th>
<th>Ordinary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Preferred</td>
<td>206,205,445</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ord.</td>
<td></td>
<td>295,089,818</td>
<td></td>
</tr>
</tbody>
</table>

### Supervisory Board of Volkswagen AG

- **Chairman**
  - Hans Dieter Pötsch
- **Members**
  - Dr. Hussain Ali Al Abdulla
  - Dr. Hessa Sultan Al Jaber
  - Dr. Bernd Althusmann
  - Dr. Hans-Peter Fischer
  - Marianne Heiß
  - Jörg Hofmann
  - Johan Järvklo
  - Ulrike Jakob
  - Dr. Louise Kiesling
  - Peter Mosch
  - Bertina Murkovic
  - Bernd Osterloh
  - Dr. jur. Hans Michel Piëch
  - Dr. jur. Ferdinand Oliver Porsche
  - Dr. rer. comm. Wolfgang Porsche
  - Conny Schönhardt
  - Athanasios Stimoniaris
  - Stephan Weil
  - Werner Weresch

### Board of Management of Volkswagen AG

- **Chairman of VW AG and VW Passenger Cars brand**
  - Dr. Herbert Diess
- **Porsche AG**
  - Dr. Oliver Blume
- **Human Resources**
  - Gunnar Kilian
- **TRATON Group**
  - Andreas Renschler
- **Audi AG**
  - Abraham Schot
- **Integrity and Legal Affairs**
  - Hiltrud Dorothea Werner
- **Finance and IT**
  - Frank Witter
- **Components and Procurement**
  - Dr. Stefan Sommer

1) Each Board Member is responsible for one or more functions within the Volkswagen Group. The work of the Board of Management of Volkswagen AG is supported by the boards of the brands and regions as well as by the other group business units and holdings.
## Diesel issue: Special Items & payments

<table>
<thead>
<tr>
<th>Year</th>
<th>Diesel special items</th>
<th>Payments</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Legal</td>
<td>Other items</td>
</tr>
<tr>
<td>2015</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>Mostly legal risks</td>
<td>6.4</td>
</tr>
<tr>
<td>2017</td>
<td>Buyback/retrofit program</td>
<td>2.2</td>
</tr>
<tr>
<td></td>
<td>Legal</td>
<td>1.0</td>
</tr>
<tr>
<td></td>
<td>3.2</td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td>Mostly legal risks</td>
<td>3.2</td>
</tr>
<tr>
<td>2019</td>
<td>Mostly legal risks</td>
<td>2.3</td>
</tr>
<tr>
<td>2020</td>
<td>Mostly legal risks</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>31.3</td>
</tr>
</tbody>
</table>
We are speeding up the transformation and becoming the leading provider of sustainable mobility.